

**GOVERNMENT OF INDIA
SHIPPING, ROAD TRANSPORT AND HIGHWAYS
LOK SABHA**

UNSTARRED QUESTION NO:2214
ANSWERED ON:29.08.2007
PORT ASSETS ON LEASE
Acharia Shri Basudeb

Will the Minister of SHIPPING, ROAD TRANSPORT AND HIGHWAYS be pleased to state:

- (a) whether the Government is contemplating to allow private sector to get port assets on lease as reported in the Business Standard dated July 22, 2007;
- (b) if so, the details thereof; and
- (c) the action taken/proposed to be taken in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF SHIPPING, ROAD TRANSPORT AND HIGHWAYS (SHRI T.R. BAALU)

(a) to (c): Leasing out of existing assets of the Port to private operators for providing port services is permitted under the existing scheme for private sector participation in Major Ports. Selection of the private operators for providing the port services is required to be made through open competitive bidding and the party offering the highest share of gross revenue to the Major Port from the operation of the port facility is to be awarded the licence. The licence period may be for a maximum period of 30 years at the end of which the port related assets will revert back to the port in accordance with the conditions of the licence agreements entered in to by the Major Port with the private operator. The contents of the news item appearing in the Business Standard referred to in the question are being examined.